



---

## Comments On the Biden's Tax Plans

---

### **WSJ Editorial Board: Comments**

Economists say the payroll tax falls mainly on workers, even though half is purportedly “paid” by employers. Altogether, including Biden’s 39.6% rate on income, the federal government’s top marginal tax on labor would be higher than 50%. Factor in state income taxes — California’s 13.3% top rate or New Jersey’s 10.75% — and the marginal rate would hit the 60s.

**Comments by Jonathan G. Blattmachr, director of estate planning for Peak Trust Company, formerly Alaska Trust Company, and a director of Pioneer Wealth Partners LLC, a boutique wealth advisory firm in Manhattan and Martin M. Shenkman, CPA, MBA, PFS, AEP, JD, an attorney in private practice in Fort Lee, New Jersey and New York City who concentrates on estate and closely-held business planning, tax planning, and estate administration:**

*No matter which party wins in November, it seems certain there will be pressure to raise taxes. One area that has and will get a lot of pressure to increase Federal revenue relates to estate planning: estate, gift, and GST tax (with a vast reduction in exemptions and elimination of GRATs, QPRTs and valuation discounts) or possibly, as recently suggested in an op-ed piece in The New York Times, having inheritances included in gross income; elimination of the step-up in basis either by adopting a gains tax at death or readoption of a carryover basis system and the retention of the estate tax. In any case, it seems certain that planners will be inundated with demands from clients as election day approaches.*

**Comments by Robert S. Keebler, CPA/PFS, MST, AEP (Distinguished) is a partner with Keebler & Associates, LLP and is a 2007 recipient of the prestigious *Accredited Estate Planners (Distinguished)* award from the *National Association of Estate Planners & Councils*:**

*The 2020 election has tremendous financial implications for our clients, given the wide and growing tax policy gap between the two parties. Whether you are a financial advisor, life insurance agent, CPA, or attorney, you need to advise your clients as to the best course of action for the time remaining in 2020 and into 2021.*

Note: Biden’s tax plans also include: 1) extending the full Social Security tax to income above \$400,000 and 2) raising the corporate income tax from 21% to 28%.

“InsMark” and “InsMark Logo” are registered trademarks of InsMark, Inc.